

Libya Joint Market Monitoring Initiative (JMMI)

30 April - 8 May 2019

Libya Cash Working Group

REACH Informing
more effective
humanitarian action

INTRODUCTION

In an effort to inform cash-based interventions and better understand market dynamics in Libya, the Joint Market Monitoring Initiative (JMMI) was created by the Libya Cash Working Group (CWG) in June 2017. The initiative is guided by the CWG Markets Taskforce, led by REACH and supported by the CWG members. It is funded by OFDA and UNHCR.

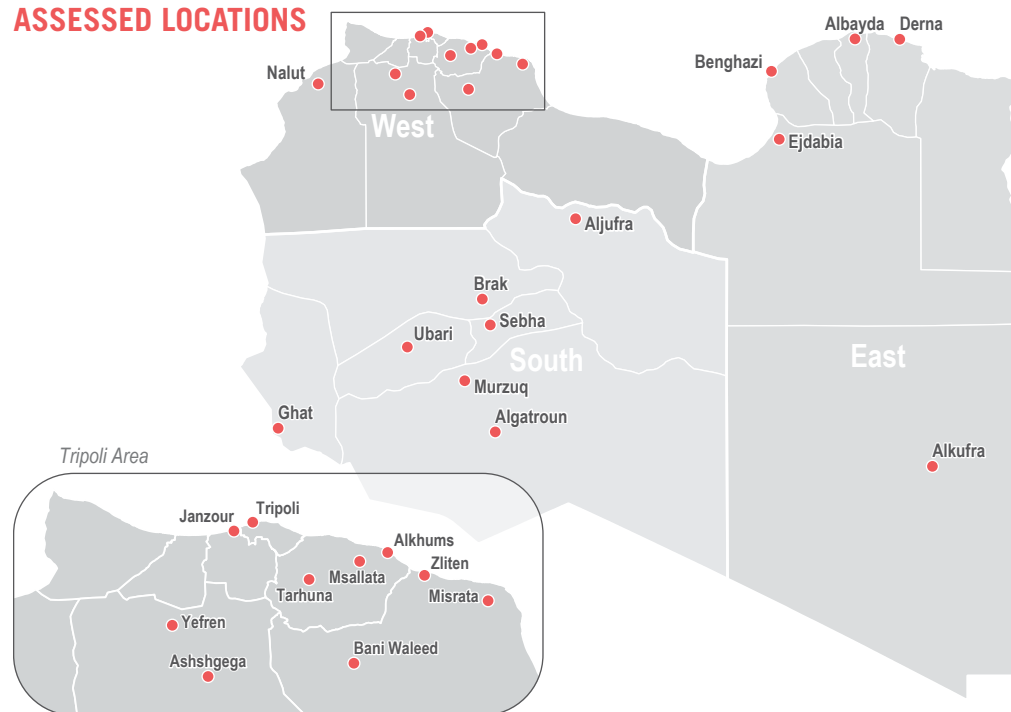
Markets in key urban areas across Libya are assessed on a monthly basis. In each location, field teams record prices and availability of basic food and non-food items (NFI) sold in local shops and markets.

This factsheet presents an overview of price ranges and medians for key food items and NFIs in the assessed areas, as well as the costs associated with key elements of the Minimum Expenditure Basket (MEB).

METHODOLOGY

- Field staff familiar with the local market conditions identified shops representative of the general price level in their respective locations.
- At least four prices per assessed item were collected within each location. In line with the purpose of the JMMI, only the price of the cheapest available brand was recorded for each item.
- Enumerators were trained on methodology and tools by REACH. Data collection was conducted through the KoBoCollect mobile application.
- Following data collection, REACH compiled and cleaned all partner data, normalising prices, cross-checking outliers and calculating the median cost of an MEB in each assessed market.
- More details are available in the Methodology section of the Appendix.

ASSESSED LOCATIONS



KEY FINDINGS

- During the whole of May, **Tripoli coped with ongoing clashes between armed groups**. The median cost of the MEB in the city rose by only 3.6% with the peripheral regions outside of Tripoli being the most affected.
- The conflict forced the roads leading south of Tripoli to close, but the coastal roads leading both east and west remained open**. This may partially explain the **differences in changes in the median cost of the MEB since April between coastal towns**, such as Janzour (-2.5%) and Zliten (-5.7%), **and cities south of Tripoli**, such as Ashshgega (+42.3%).
- Driven by large changes in the median prices of fresh vegetables, such as **tomatoes (+33.3%) and peppers (+20.0%)**, the overall cost of the MEB in Libya reached its **highest point since December 2018 at 813.69 LYD**.
- Overall, a large proportion of Libya's farms are located in baladiyas south of Tripoli. **The conflict has had an effect on agricultural productivity**, on the grounds that the region suffered from indiscriminate shelling and disruptions to water supplies¹. Furthermore, a reduced influx of migrants may be driving up labour costs², as the agricultural sector relies heavily on a foreign workforce³.
- Due to transport security issues, there is a continuing **lack of subsidized fuel in south Libya, thus stimulating a larger demand for black market fuel**. The increase in demand may explain the 100% increase of the median price of unofficial cooking fuel (LPG). Similarly, the south has poor access to liquidity due to **cash shipments being halted as a result of shifting lines of control**.
- A drop in the price of the median MEB (-1.5%) was recorded in the east, with the exception of Benghazi which experienced an increase of 13.1%. **The overall reduction could be a price correction**, as the previous month indicated a 7.5% increase in the cost of MEB in the east of Libya.

JMMI KEY FIGURES

Data collection from **30 April - 8 May 2019**

3 participating agencies
(ACTED, REACH, WFP)
23 assessed cities
34 assessed items
347 assessed shops

EXCHANGE RATES⁴

1.396 USD/LYD official ▲ +0.3%	4.510 USD/LYD parallel market ▲ +5.9%	4.920 EUR/LYD parallel market ▲ +2.1%
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KEY MONTHLY CHANGES IN MEB

Median cost of overall MEB

813.69 LYD ▲ 27.95 LYD +3.6%

Food items	Hygiene items	Cooking fuel
▲ +5.4%	▼ -14.9%	► 0.0%

MEDIAN COST OF MEB BY REGION

West	785.75 LYD	+2.5% ▲
East	747.61 LYD	-1.5% ▼
South	1069.60 LYD	+3.2% ▲

MARKET SHORTAGES

None reported

Reported changes are month-on-month

MINIMUM EXPENDITURE BASKET (MEB)

Key Elements: Food Items

Bread	38 kg	Tomatoes	12 kg
Rice	12.5 kg	Potatoes	14 kg
Pasta	11 kg	Onions	8 kg
Couscous	6.5 kg	Peppers	5 kg
Beans	7 kg	Tomato paste	7 kg
Chicken	9 kg	Black tea	2 kg
Tuna	4.5 kg	Vegetable oil	6 L
Eggs	4.5 kg	Sugar	2 kg
Milk	10 L	Salt	1 kg

Key Elements: Non-Food Items

Bathing soap	1.5 kg (10 150-g bars)
Toothpaste	0.6 kg (6 100-g tubes)
Laundry detergent	1.5 L
Dishwashing liquid	1.5 L
Sanitary pads	4 packs of 10
Cooking fuel (LPG)	22 kg (2 11-kg refills)

Optional Elements⁴

Water (drinking and domestic use)	2,790 L
Median rent for 3-rm flat	1 month
Float ⁶	20% of key elements

The **Minimum Expenditure Basket (MEB)** represents the minimum culturally adjusted group of items required to support a six-person Libyan household for one month. The cost of the MEB can be used as a proxy for the financial burdens facing households in different locations. The MEB's contents were defined by the CWG in consultation with relevant sector leads.

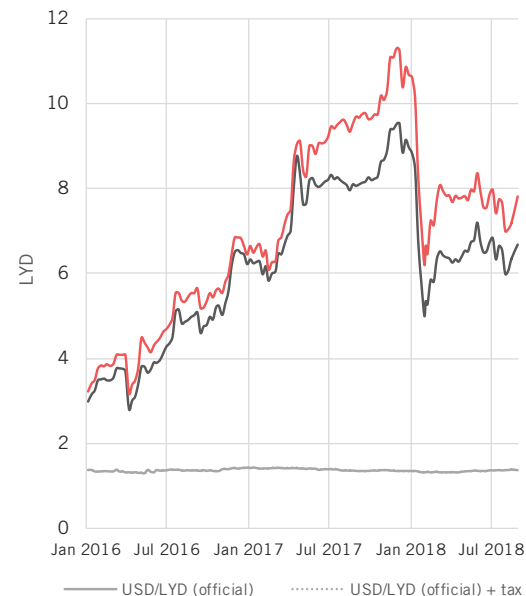
Only the MEB's key elements (food and non-food items) were incorporated into the calculations in this factsheet.

MEDIAN MEB COST BY LOCATION

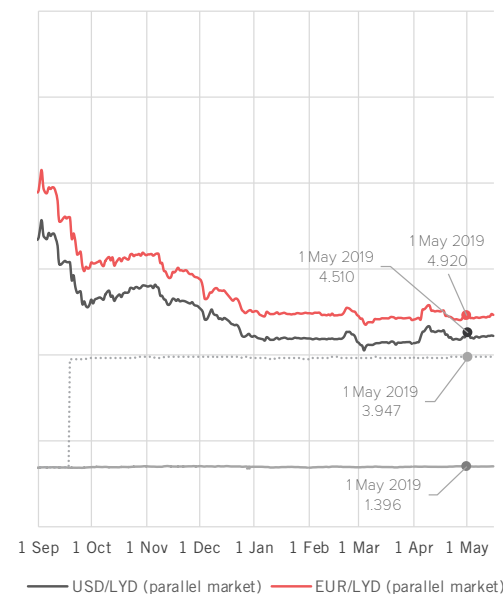
Location	Cost of MEB (LYD)	Since April 2019	Since May 2018
Ashshgega	1007.59	42.3%	No data
Nalut	900.63	9.9%	4.2%
Tarhuna	804.19	1.4%	No data
Bani Waleed	797.81	3.6%	No data
Tripoli	794.70	3.1%	11.3%
Msallata	777.75	11.6%	No data
Yefren	777.30	4.6%	No data
Alkhums	775.38	6.9%	8.8%
Zliten	769.89	-2.5%	2.8%
Janzour	767.88	-5.7%	No data
Misrata	739.02	5.4%	9.3%
Median West	785.75	2.5%	5.7%
Benghazi	820.85	13.1%	8.9%
Alkufra	794.28	2.8%	-18.0%
Ejdabia	785.10	1.7%	14.6%
Derna	740.06	-11.1%	-25.9%
Albayda	700.12	-9.8%	-14.9%
Median East	747.61	-1.5%	-5.2%
Ghat	1242.17	2.3%	21.9%
Ubari	1214.30	10.2%	10.0%
Algatroun	1192.99	0.6%	5.9%
Murzuq	1111.00	-4.3%	4.0%
Aljufra	1013.07	13.4%	14.8%
Sebha	880.70	-3.3%	-8.0%
Brak	845.70	10.4%	-1.4%
Median South	1069.60	3.2%	7.9%
Median Overall	813.69	3.6%	4.0%

EXCHANGE RATES OVER TIME⁴

January 2016- September 2018

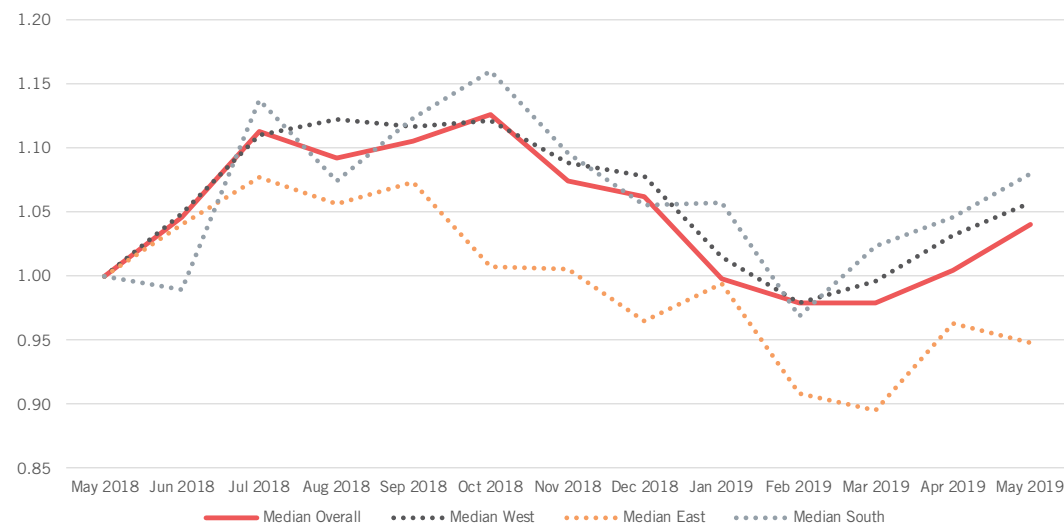


Since September 2018



MEB PRICE INDEX

Since May 2018 (normalised, May 2018 = 1.00)⁷



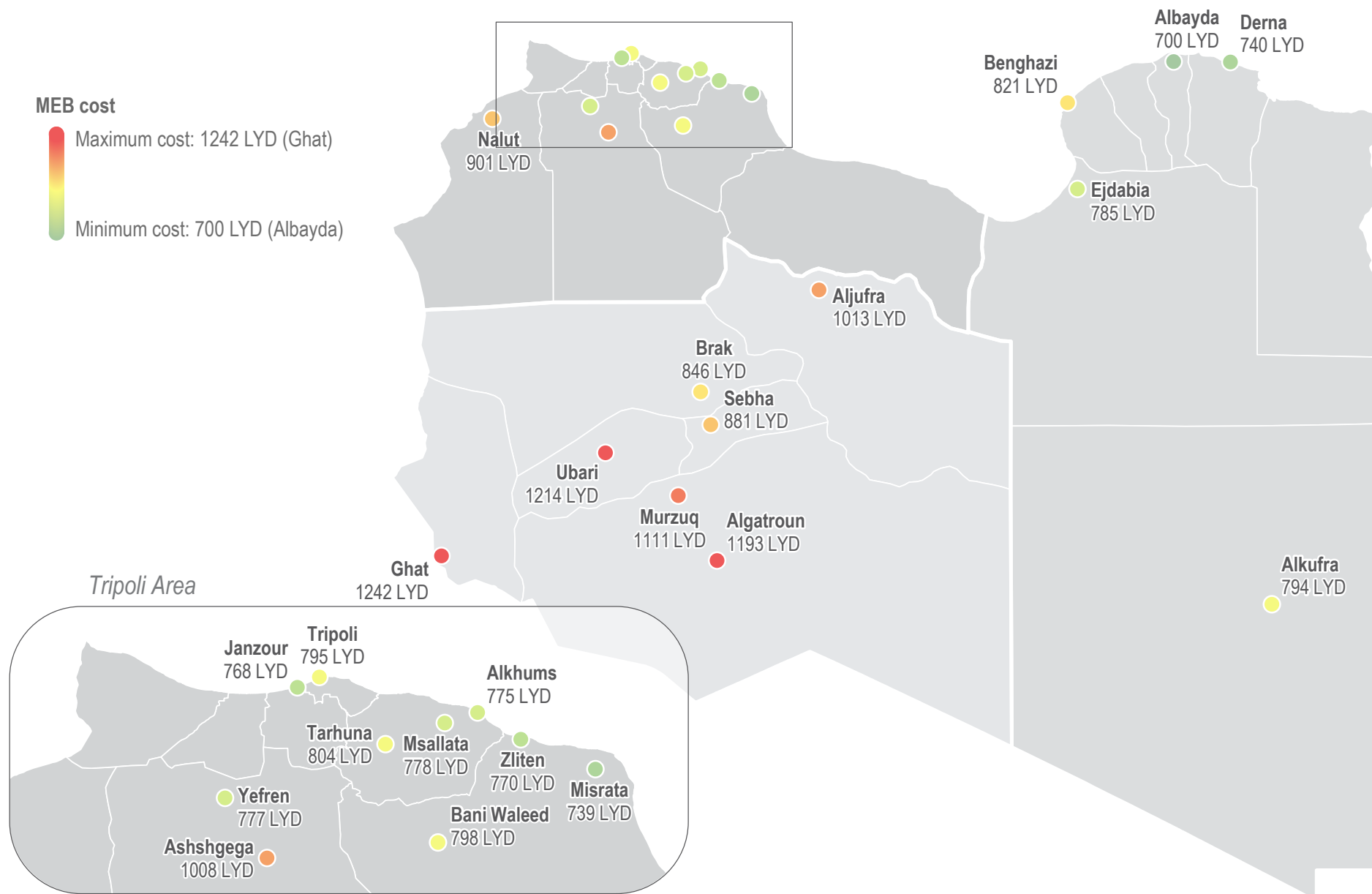
COST OF MEDIAN OVERALL MEB

813.69 LYD

Change since
April 2019
▲ 27.95 LYD
(+3.6%)

Change since
May 2018
▲ 31.30 LYD
(+4.0%)

Cost of MEB Key Elements by Location

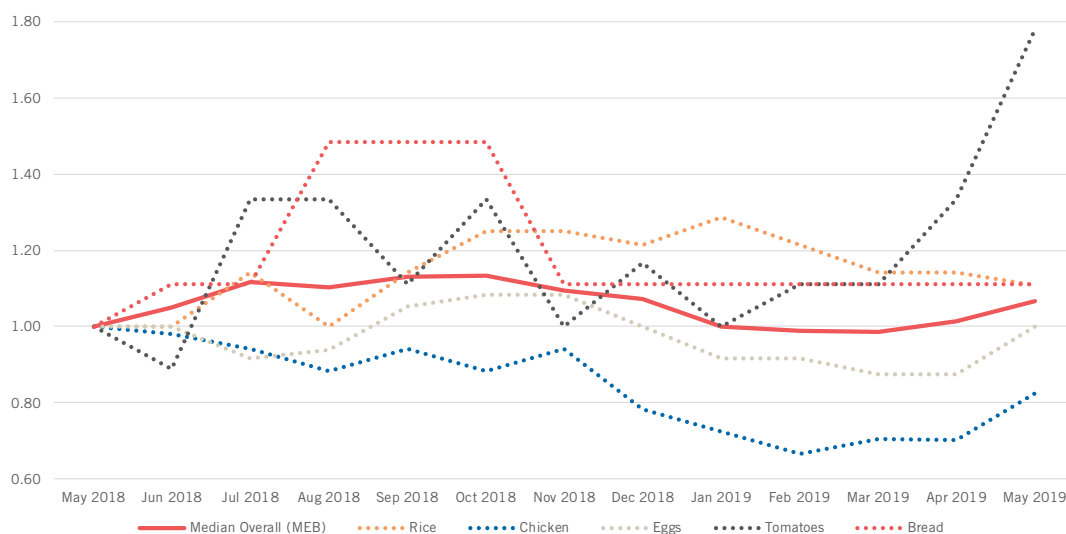


PRICES OF MONITORED ITEMS

Item	Unit	Median price (LYD)	Change since April 2019	Change since May 2018
Food items				
Tomatoes	250 g	4.00	33.3%	77.8%
Sugar	250 g	2.50	25.0%	-35.9%
Peppers	1 kg	6.00	20.0%	33.3%
Chicken	1 kg	10.50	17.5%	-17.6%
Onions	500 g	3.50	16.7%	75.0%
Eggs	1 L	12.00	14.2%	0.0%
Condensed milk	400 g	2.50	13.4%	-9.1%
Lamb meat	5 pieces	39.50	12.9%	3.9%
Flour	1 L	2.38	2.7%	8.0%
Black tea	1 kg	6.00	2.1%	-11.1%
Couscous	1 kg	3.50	1.8%	3.7%
Milk	30 eggs	3.54	1.0%	-25.6%
Beans	1 kg	2.00	0.0%	-20.0%
Bread	1 kg	1.25	0.0%	11.1%
Chickpeas	1 kg	1.88	0.0%	-37.5%
Pasta	1 kg	1.50	0.0%	0.0%
Potatoes	1 kg	3.00	0.0%	50.0%
Salt	200 g	1.00	0.0%	-11.1%
Tomato paste	1 kg	2.50	0.0%	100.0%
Vegetable oil	400 g	5.00	0.0%	33.3%
Rice	200 ml	3.88	-3.1%	10.7%
Green tea	1 kg	3.25	-3.7%	-35.0%
Canned tuna	400 g	4.00	-5.3%	3.2%
Hygiene items				
Sanitary pads	10 pads	3.50	16.7%	-12.5%
Shampoo	250 ml	5.63	12.5%	0.5%
Dishwashing liquid	1 L	1.40	0.0%	-44.0%
Baby diapers	30	14.75	-3.4%	-33.0%
Toothbrush	1 brush	2.00	-11.1%	-19.2%
Laundry detergent	1 L	1.20	-14.3%	-31.4%
Laundry powder	1 kg	5.00	-20.0%	-30.6%
Toothpaste	100 ml	3.88	-22.5%	-35.4%
Handwashing soap	1 bar	1.63	-23.5%	-18.8%
Other items				
Unofficial LPG	11 kg	30	100.0%	No data
Bottled water	1 L	0.29	0.0%	No data
Official LPG	11 kg	4.5	-10.0%	No data

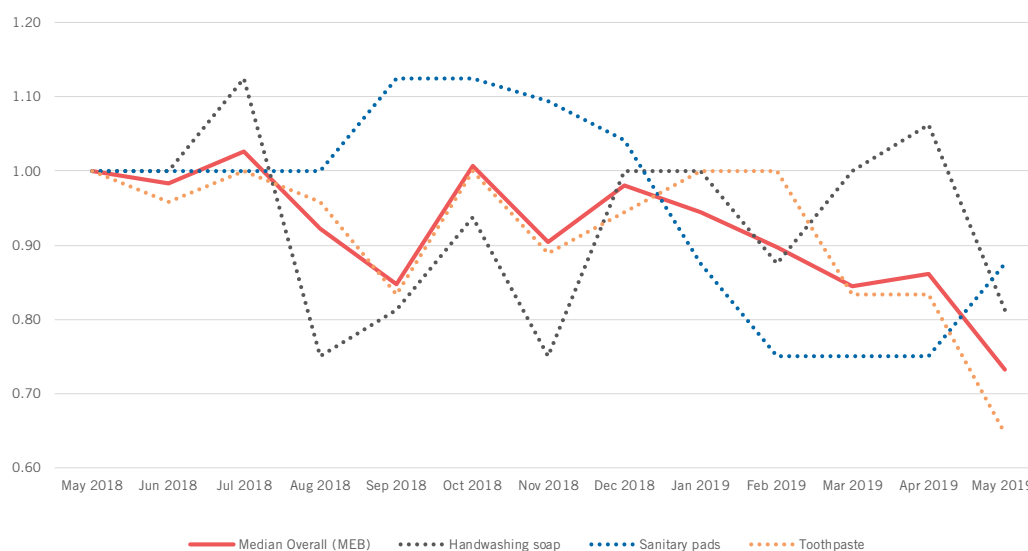
FOOD PRICES OVER TIME

Selected items (normalised, May 2018 = 1.00)⁸



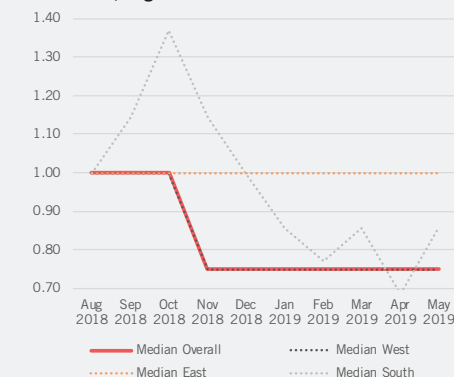
HYGIENE ITEM PRICES OVER TIME

Selected items (normalised, May 2018 = 1.00)⁸



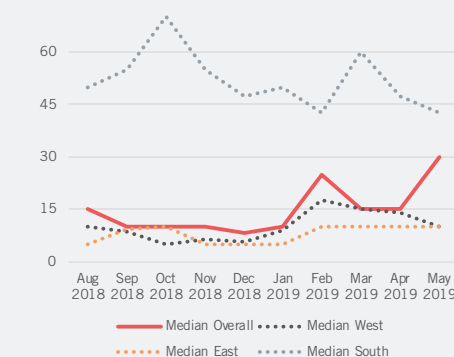
BREAD PRICES OVER TIME⁹

(normalised, August 2018 = 1.00)



PRICES FROM UNOFFICIAL COOKING FUEL VENDORS

(since August 2018, non-normalised)



NOTABLE MONTH-ON-MONTH CHANGES

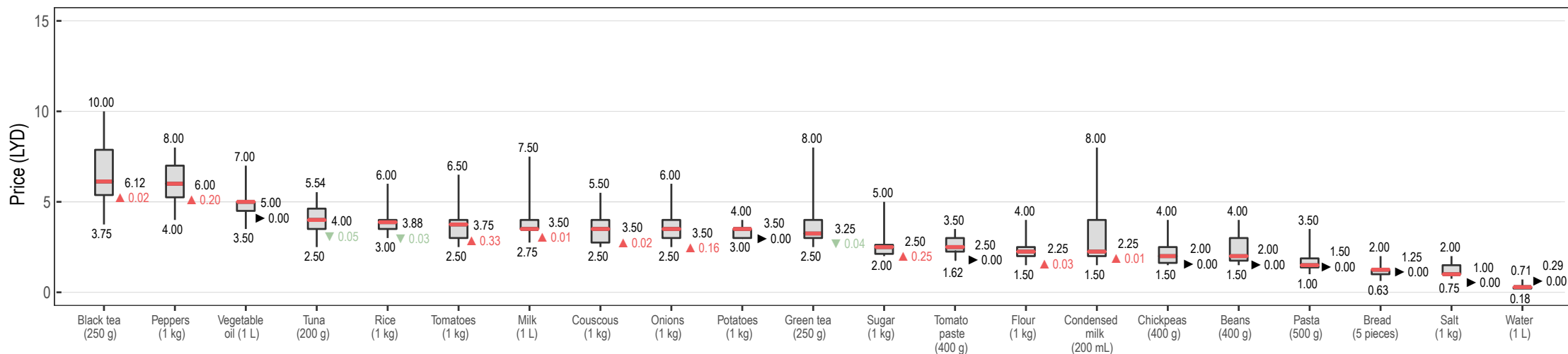
Unofficial LPG	▲ +100.0%
Tomatoes	▲ +33.3%
Sugar	▲ +25.0%
Handwashing soap	▼ -23.5%
Toothpaste	▼ -22.5%

MARKET SHORTAGES

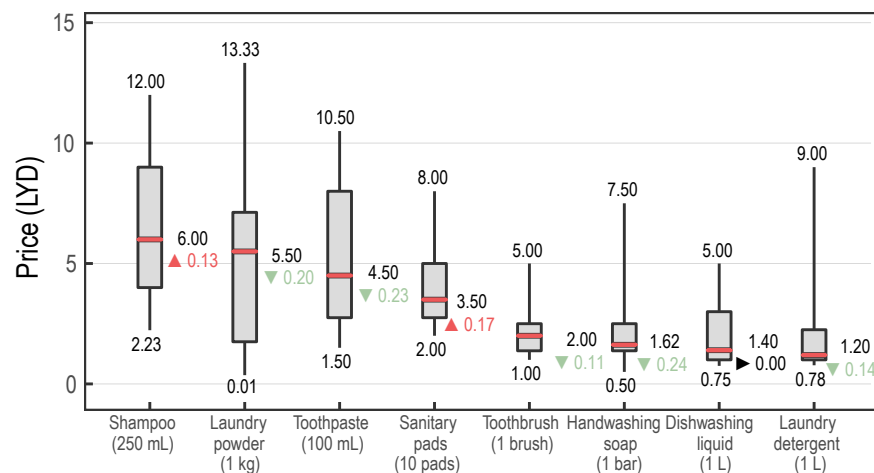
None reported

Distribution of Prices in Libya

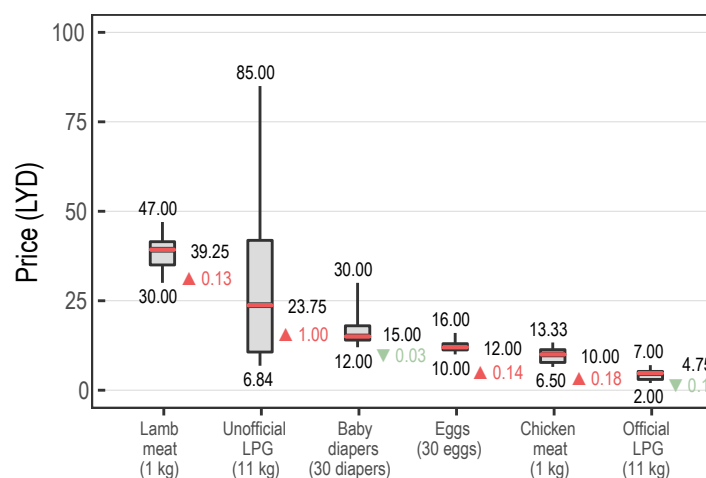
FOOD ITEMS



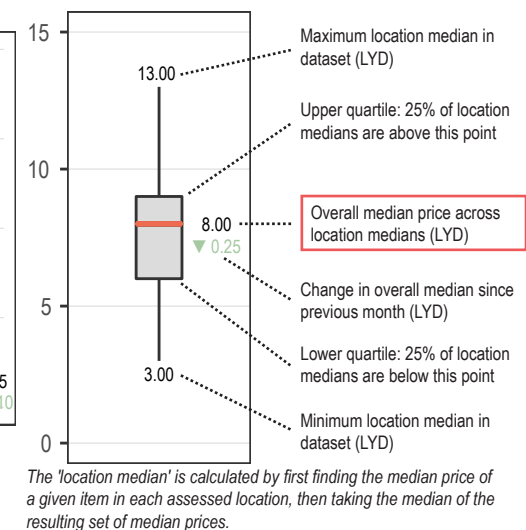
HYGIENE ITEMS



ITEMS WITH HIGHEST PRICES



How to read a boxplot



PREVIOUS JMMI OUTPUTS

Factsheets

Datasets

2019

April	April
March	March
February	February
January	January

2018

December	December
November	November
October	October
September	September
August	August
July	July
June	June
May	May
April	April
March	March
February	February
January	January

2017

December	December
November	November
October	October
September	September
August	August
July	July
June	June

Trends Analyses

January–June 2018
June–December 2017

MARK-UPS FOR ALTERNATIVE MODALITIES

E-cards (credit, debit)	NA
Certified cheques	0-15%
Mobile money	0%

What is the CWG?

The Libya Cash Working Group (CWG), established in August 2016, is a community of humanitarian actors that support and coordinate cash-based interventions in Libya. The CWG, based jointly in Tripoli and Tunis, is currently led by UNHCR and co-led by Mercy Corps.

Methodology (cont. from page 1)

The methodology for the JMMI is based on purposive sampling. In each assessed market, at least four prices per item need to be collected from different shops to ensure the quality and consistency of collected data. Partner field teams, in coordination with the CWG, identify shops to assess based on the following criteria:

1. Shops need to be large enough to sell all or most assessed items.
2. Prices in these shops need to be good indicators of the general price levels in the assessed area.
3. Shops should be located in different areas within the assessed city or baladiya.

In locations where it is not possible to identify four large markets that fulfil criterion (1), smaller shops, such as grocery shops, vegetable vendors, butchers and bakeries, are added to the shop list, as long as they fit criteria (2) and (3), in order to guarantee at least four prices per item of interest. Each month, price data is collected from the same shops whenever possible to ensure comparability across months.

The CWG primarily targets urban areas throughout Libya, aiming to ensure coverage of markets that serve as commercial hubs for surrounding regions.

Data is collected via the KoBo mobile data collection application. The CWG maintains a joint KoBo account for the JMMI. The data collection tool is published alongside the dataset every month and disseminated to the humanitarian community.

Analyses

The median prices reported in this factsheet are 'location medians', designed to minimise the effects of outliers and differing amounts of data among assessed locations. First, the median prices of all assessed items are calculated within each assessed location (city or mahalla); then, REACH calculates the median of this list of medians. All boxplots, as well as MEB and price index calculations, are created using this method.

The cost of the MEB is calculated by multiplying the median price of each item in the MEB's 'Key Elements' section by the quantity listed in the table on page 2. In cases where no median price is available for an item in a particular location, the median price for that item across the region (west, east, or south) is substituted.

Challenges and limitations

- Price data is only indicative for the time frame within which it was collected. Prices may vary during the weeks between adjacent data collection rounds.
- The data is only indicative of the general price levels in each assessed location. Representativeness on the mantika (district) level cannot be claimed. Even on the city level, price data must be interpreted with caution, particularly in larger cities with substantial variation in neighbourhoods' socioeconomic levels.
- The JMMI data collection tool requires enumerators to record the cheapest available price for each item, but does not require a specific brand, as brand

availability may vary. Therefore, price comparisons across regions may be based on slight variants of the same product.

- The JMMI does not intend to measure general inflation levels on Libyan markets. As per JMMI methodology, only the cheapest available price per item is collected, meaning that changes in middle-market and upmarket goods are not captured.

Endnotes

- ¹ REACH, South Libya Rapid Situation Overview, (June 2019)
- ² Reuters, "Libyan gunmen halt water pipeline to besieged Tripoli" (20th May 2019), <https://af.reuters.com/article/libyaNews/idAFL5N22W43D>
- ³ REACH, Market Systems in Libya, (October 2017)
- ⁴ Official rate: Central Bank of Libya (1 May 2019), retrieved from www.cbl.gov.ly. Parallel market rates: Ewan Libya (1 May 2019), retrieved from www.ewanlibya.ly. The rates from 1 April 2019 and 1 May 2019 were used for the calculation of the monthly changes.
- ⁵ The 'Optional Elements' section of the MEB includes basic expenditures that are incurred by some, but not all, Libyan households, as well as expenditures that extend beyond basic survival and dignity needs. They are not included in the JMMI's MEB calculations.
- ⁶ The 20% float includes expenses on healthcare, medicine, education, utilities, transportation, and communications.
- ⁷ The MEB price index was normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.
- ⁸ The food and hygiene prices were normalised by setting May 2018 as the baseline and dividing each month's price by the price in May.
- ⁹ The bread prices were normalised by setting August 2018 as the baseline and dividing each month's price by the price in August.